

General Assembly

Raised Bill No. 5087

February Session, 2012

LCO No. 880

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Referred to Committee on General Law

Introduced by: (GL)

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE REAL ESTATE PROPERTY CONDITION DISCLOSURE REPORT FORM REVISION WORK GROUP.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (d) of section 20-327b of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective July
- 3 1, 2012):
- 4 (d) (1) Not later than [April 1, 2010] <u>January 1, 2013</u>, the
- 5 Commissioner of Consumer Protection shall, by regulations adopted in
- 6 accordance with the provisions of chapter 54, prescribe the form of the
- 7 written residential disclosure report required by this section and
- 8 sections 20-327c to 20-327e, inclusive. The regulations shall provide
- 9 that the form include information concerning:
- 10 (A) Municipal assessments, including, but not limited to, sewer or
- 11 water charges applicable to the property. Such information shall
- 12 include: (i) Whether such assessment is in effect and the amount of the
- 13 assessment; (ii) whether there is an assessment on the property that
- 14 has not been paid, and if so, the amount of the unpaid assessment; and

- 15 (iii) to the extent of the seller's knowledge, whether there is reason to 16 believe that the municipality may impose an assessment in the future;
- 17 (B) Leased items on the premises, including, but not limited to, 18 propane fuel tanks, water heaters, major appliances and alarm 19 systems; and
- (C) (i) Whether the real property is located in a municipally designated village district or municipally designated historic district or has been designated on the National Register of Historic Places, and (ii) a statement that information concerning village districts and historic districts may be obtained from the municipality's village or historic district commission, if applicable.
- 26 (2) Such form of the written residential disclosure report shall contain the following:
- 28 (A) A certification by the seller in the following form:
- "To the extent of the seller's knowledge as a property owner, the seller acknowledges that the information contained above is true and accurate for those areas of the property listed. In the event a real estate broker or salesperson is utilized, the seller authorizes the brokers or salespersons to provide the above information to prospective buyers, selling agents or buyers' agents.
- T1 (Date) (Seller)
- T2 (Date) (Seller)"
- 35 (B) A certification by the buyer in the following form:
- The buyer is urged to carefully inspect the property and, if desired, to have the property inspected by an expert. The buyer understands that there are areas of the property for which the seller has no knowledge and that this disclosure statement does not encompass those areas. The buyer also acknowledges that the buyer has read and

- 41 received a signed copy of this statement from the seller or seller's
- 42 agent.
- T3 (Seller) (Date)
- (Seller)" T4 (Date)
- 43 (C) A statement concerning the responsibility of real estate brokers 44 in the following form:
- 45 "This report in no way relieves a real estate broker of the broker's
- 46 obligation under the provisions of section 20-328-5a of the Regulations
- 47 of Connecticut State Agencies to disclose any material facts. Failure to
- 48 do so could result in punitive action taken against the broker, such as
- 49 fines, suspension or revocation of license."
- 50 (D) A statement that any representations made by the seller on the
- 51 written residential disclosure report shall not constitute a warranty to
- 52 the buyer.
- 53 (E) A statement that the written residential disclosure report is not a
- 54 substitute for inspections, tests and other methods of determining the
- 55 physical condition of property.
- 56 (F) Information concerning environmental matters such as lead,
- 57 radon, subsurface sewage disposal, flood hazards and, if the residence
- 58 is or will be served by well water, as defined in section 21a-150, the
- 59 results of any water test performed for volatile organic compounds
- 60 and such other topics as the Commissioner of Consumer Protection
- 61 may determine would be of interest to a buyer.
- 62 (G) A statement that information concerning the residence address
- 63 of a person convicted of a crime may be available from law
- 64 enforcement agencies or the Department of Emergency Services and
- 65 Public Protection and that the Department of Emergency Services and
- 66 Public Protection maintains a site on the Internet listing information

- 69 <u>(H) If the property is located in a common interest community,</u> 70 <u>whether the property is subject to any community or association dues</u> 71 or fees.
- (I) Whether, during the seller's period of ownership, there is or has ever been an underground storage tank located on the property, and, if there is or was, if it has been removed. If such underground storage tank has been removed, such seller shall state when it was removed, who removed it and shall provide written documentation of such removal.
- (I) A statement that the prospective purchaser should consult with the municipal building official in the municipality in which the property is located to confirm that building permits and certificates of occupancy have been issued for work on the property, where applicable.
- 83 <u>(K) A statement that the prospective purchaser should have the</u> 84 <u>property inspected by a licensed home inspector.</u>
- Sec. 2. Section 20-327c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):
- On or after January 1, 1996, every agreement to purchase residential real estate, for which a written residential condition report is required pursuant to section 20-327b, as amended by this act, shall include a requirement that the seller credit the purchaser with the sum of [three] five hundred dollars at closing should the seller fail to furnish the written residential condition report as required by sections 20-327b to 20-327e, inclusive, as amended by this act.

This act shall take effect as follows and shall amend the following sections:

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Section 1	July 1, 2012	20-327b(d)
Sec. 2	July 1, 2012	20-327c

Statement of Purpose:

To implement the recommendations of the General Law Committee's Real Estate Property Condition Disclosure Report Form Revision Work Group.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]